

Message Text

CONFIDENTIAL

PAGE 01 BANGKO 02206 100027Z

60

ACTION EA-14

INFO OCT-01 ISO-00 AGR-20 L-03 H-03 PA-04 PRS-01 USIA-15

CIAE-00 INR-10 NSAE-00 RSC-01 OMB-01 TRSE-00 COME-00

STR-08 CEA-02 SPC-03 SAM-01 DODE-00 DRC-01 /088 W

----- 116491

R 090655Z FEB 74

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 469

CONFIDENTIAL BANGKOK 2206

EO 11652: GDS

TAGS: ETRD, EAGR

SUBJECT: SUGAR QUOTA HEARINGS

REF: A. STATE 022675 B. BANGKOK 20013 C. BANGKOK 2070

1. THAI PRESSURE FOR INCREASED US SUGAR QUOTA IS INTENSIFYING.
PM SANYA USED OCCASION OF ASSISTANT SECRETARY INGERSOLL'S
COURTESY CALL TO REQUEST USG SUPPORT FOR A SUGAR QUOTA OF
100,000 TONS FOR THAILAND, AS REPORTED IN REFTEL C.

2. LOCAL AMCHAM HAS ALSO SENT AMBASSADOR COPIES OF
LETTERS WRITTEN TO CONGRESSMAN POAGE, PRICE, MIZEL, JONES
MAYNE, MATHIAS, ROSE, GARZA. MAIN ARGUMENT FOR A SUGAR
QUOTA INCREASE TO 40,000 TONS ADVANCED IN THESE LETTERS
IS THE DISPARITY IN THE THAI-US TRADE BALANCE IN FAVOR OF
THE US, THE SMALLNESS OF THE THAI QUOTA (UNDER 20,000
TONS), AND THE DIRECT BENEFIT IN A FORM PREFERRED TO AID
THAT AN INCREASE CAN PROVIDE TO THE MANY SMALL THAI
FARMERS WHO CONSTITUTE THE GREAT BULK OF THE SUGAR PRODUCERS.

3. SUBSTANCE OF REFTEL A) CONVEYED ORALLY AND ON URGENT
BASIS TO DR. SNOH UNAKUL, DEPUTY UNDERSECRETARY, MINISTRY
OF COMMERCE, AS THE POLICY LEVEL OFFICIAL DIRECTLY CON-
CERNED WITH THIS MATTER AND ALSO AS SOURCE OF PREVIOUS
REQUESTS TO EMBASSY OFFICERS FOR A LARGER SUGAR QUOTA
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BANGKO 02206 100027Z

FOR THAILAND REPORTED IN REFTEL B).

4. EMBASSY BELIEVES THAILAND HAS A STRONG CASE FOR A QUOTA INCREASE, AND URGES STATE TO USE INFLUENCE IN THIS DIRECTION DURING PROCESSES OF FORMULATING ADMINISTRATION RECOMMENDATIONS ON THIS SUBJECT (PARA. 3 OF REFTEL A). IN ADDITION TO THE ECONOMIC ARGUMENTS ADVANCED BY THE AMCHAM (TRADE IMBALANCE IN US FAVOR), AND BY THE RTG (QUOTA IS NEAR BOTTOM OF SUGAR SUPPLIER COUNTRIES DESPITE THE RAPID GROWTH OF THE THAI INDUSTRY TO A CURRENT ANNUAL OUTPUT OF 915,000 TONS). EMBASSY VIEWS ALSO INFLUENCED BY INTER-RELATED POLITICAL AND SECURITY CONSIDERATIONS. A HEALTHY ECONOMY IS THE ESSENTIAL UNDERPINNING FOR THAILAND'S ABILITY TO DEAL EFFECTIVELY WITH BOTH EXTERNAL AND INTERNAL THREATS TO ITS SECURITY, AND DEPENDABLE EXPORT MARKETS ARE VITAL REQUIREMENT FOR THAILAND'S ECONOMIC DEVELOPMENT. MOREOVER, NIXON DOCTRINE ENCOURAGES MAXIMUM DEVELOPMENT OF SELF-HELP CAPABILITY AS A PRE-CONDITION FOR US SUPPORT.

5. DURING THIS CURRENT PERIOD OF RENEWED NATIONALISTIC ASSERTIONS AND DEMANDS FOR INCREASED ECONOMIC AS WELL AS POLITICAL INDEPENDENCE, IMPROVED TRADE OPPORTUNITIES ARE MORE APPRECIATED THAN ADDITIONAL AID. "TRADE RATHER THAN AID" WAS THEME OF PM'S PRESENTATION OF RTG VIEWS DURING MEETING WITH ASSISTANT SECRETARY INGERSOLL, AND WAS EVEN MORE PRECISELY ASSERTED MUCH EARLIER IN 1974 BY DR. SNOH DURING MEETING WITH EMBASSY OFFICERS. GREATEST SHORT RANGE THREAT TO INTERIM SANYA GOVERNMENT, AND TO FLEDGLING ELECTED GOVERNMENT THAT HOPEFULLY WILL FOLLOW IT, IS A FAILING ECONOMY. BELIEVE SUBSTANTIALLY ENLARGED SUGAR QUOTA WOULD PROVIDE DESIRED ELEMENT TO THE SUGAR INDUSTRY OF INCREASED CERTAINTY AS WELL AS PROVIDE TANGIBLE ILLUSTRATION OF US SYMPATHY FOR THAILAND DURING ITS CURRENT GROPING FOR A WORKABLE DEGREE OF PARTICIPATORY DEMOCRACY.

6. ACTION REQUESTED: AGAINST BACKGROUND SKETCHED ABOVE, EMBASSY STRONGLY URGES THAT STRONGEST CASE POSSIBLE BE MADE BEFORE HOUSE AGRICULTURE COMMITTEE FOR INCREASE IN THAI SUGAR QUOTA TO 100,000 TONS.

KINTNER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BANGKO 02206 100027Z

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, IMPORTS, EXPORTS, LAW, US CONGRESSIONAL PRESENTATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BANGKO02206
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740244/aaaabowu.tel
Line Count: 107
Locator: TEXT ON-LINE
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A. STATE 022675 B. BANGKOK 20013 C., BANGKOK 2070
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 12 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12-Aug-2002 by kelleyw0>; APPROVED <17 DEC 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SUGAR QUOTA HEARINGS
TAGS: ETRD, EAGR, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005